



ARIZONA DEPARTMENT OF ECONOMIC SECURITY

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Janet Napolitano
Governor

David A. Berns
Director

DATE: May 8, 2006

SUBJECT: WIA GUIDANCE LETTER #12-06
Announcement of PY 2004 Method II Incentive Awards

REFERENCE: P.L. 105-220, §134(a)(2)(B)(iii) of the Workforce Investment Act (WIA); Subpart B, §665.200(e)(1)(2)(3) of WIA Final Rules dated August 11, 2000; WIA Guidance Letter #02-06 dated February 28, 2006.

BACKGROUND: This memo serves as formal notification to the State of Arizona's Local Workforce Investment Areas (LWIAs) of the Method II incentive awards for WIA PY 2004. Each Method II award is based upon the degree to which each applicant LWIA developed an initiative that promotes local and regional cooperation among Local Boards and for local coordination of One-Stop activities among partner agencies transcending both fiscal and administrative barriers for the benefit of One-Stop customers overall.

The State Employment Administration/WIA Section received a total of ten Method II applications by the April 17, 2006 deadline. For those local areas submitting an application, funding awards were based upon the application that received a score of at least 71 points out of 100 possible points that could be awarded. The application form and scoring methodology were included with WIA Guidance Letter #02-06 dated February 28, 2006.

For WIA PY 2004, the Governor's Council on Workforce Policy (GCWP) set aside a total of \$350,000 of the state's discretionary funds for incentives for LWIAs. Seventy percent of these incentive funds (\$245,000) were earmarked for the Method II awards.

Generally, an LWIA's potential Method II award coincides with the percentage of state formula funds the LWIA received in PY 2004. However, for local areas that received less than 3% of the PY 2004 formula allocation, award funds were adjusted slightly so that these local areas would be eligible for a minimum of 3% of the Method II funds.

Note: Upon request from an applicant LWIA, the Employment Administration/WIA Section will provide scoring information and comments associated with your application.

The Method II awards for PY 2004 are as follows:

Apache County \$7,350
Cochise County \$8,134
Gila/Pinal Counties \$10,336
Navajo County \$6,860
City of Phoenix \$36,458
Pima County \$24,631

Since both Method I and Method II awards call for LWIAs to amend their contracts, distribution of the above awards will include funds from Method I awards previously announced in WIA Guidance Letter #02-06. The Employment Administration/WIA Fiscal Unit will send out additional instructions for amending local contracts to reflect all incentive awards.

Please feel free to contact William Gadzia at (602) 542-2484 if you need additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Lela Alston". The signature is written in a cursive, flowing style.

Lela Alston
Section Manager
Employment Administration
Workforce Investment Act Section